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**ST. MARTIN ECONOMIC
DEVELOPMENT AUTHORITY**
St. Martinville, Louisiana

Financial Report

Year Ended June 30, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/5/08

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ACCOUNTANTS' REVIEW REPORT

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Mr. Fred Mills, Jr.
St. Martin Economic Development Authority
St. Martinville, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the St. Martin Economic Development Authority, as of and for the year ended June 30, 2007, which collectively comprise the Authority's basic financial statements, as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the St. Martin Economic Development Authority.

A review consists principally of inquiries of Authority personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The required supplementary information on pages 19 through 20 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but was compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.

Member of:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Member of:
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

The St. Martin Economic Development Authority has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be a part of, the basic financial statements.

Kolder, Champagne, Slaven & Company, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
October 18, 2007

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Statement of Net Assets
June 30, 2007

ASSETS

Current assets:

Cash & interest-bearing deposits	\$ 622,829
Receivables	3,361
Accrued interest	<u>1,629</u>
Total current assets	<u>627,819</u>

Noncurrent assets:

Capital assets, net	<u>1,750</u>
Total noncurrent assets	<u>1,750</u>

Total assets	<u>629,569</u>
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LIABILITIES

Accrued expenses	5,334
Deferred revenue	<u>33,154</u>

Total liabilities	<u>38,488</u>
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NET ASSETS

Invested in capital assets, net of related debt	1,750
Unrestricted	<u>589,331</u>

Total net assets	<u>\$ 591,081</u>
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See accompanying notes and accountants' report.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Statement of Activities
Year Ended June 30, 2007

General Government:	
Accounting	\$ 2,365
Allowance - travel	6,000
Compensation expense:	
Salary	39,100
Retirement	4,985
Group health insurance	7,684
Medicare	531
Workers compensation	26
Depreciation	426
Dues and subscriptions	1,049
Economic development	603
Education	425
Industrial park project	17,545
Marketing and design	265
Miscellaneous	647
Office printing and supplies	2,115
Postage	316
Telephone expense	2,163
Travel	<u>1,210</u>
Total expenses	<u>87,455</u>
Program revenues:	
Assessment	<u>25,203</u>
Total program revenues	<u>25,203</u>
Net program expense	<u>(62,252)</u>
General revenues:	
Government Funding:	
City of Breaux Bridge	10,000
City of St. Martinville	14,000
St. Martin Parish Government	18,152
St. Martin Parish School Board	29,056
St. Martin Parish Sheriff	15,000
Interest income	13,558
Industrial park project	<u>233,878</u>
Total general revenues	<u>333,644</u>
Change in net assets	271,392
Beginning net assets	<u>319,689</u>
Ending net assets	<u>\$ 591,081</u>

See accompanying notes and accountants' report.

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTION - MAJOR FUND

MAJOR FUND

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Statement of Assets, Liabilities, and Fund Balance
June 30, 2007

ASSETS

CURRENT ASSETS

Cash and interest-bearing deposits	\$ 622,829
Receivables	3,361
Accrued interest	<u>1,629</u>

TOTAL CURRENT ASSETS 627,819

TOTAL ASSETS \$ 627,819

LIABILITIES AND FUND BALANCE

LIABILITIES

Accrued expenses	\$ 5,334
Deferred revenue	<u>33,154</u>

TOTAL LIABILITIES 38,488

FUND BALANCE

Unreserved	<u>589,331</u>
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TOTAL FUND BALANCE 589,331

TOTAL LIABILITIES AND FUND BALANCE \$ 627,819

The accompanying notes are an integral part of this statement.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

**Reconciliation of the Statement of Assets, Liabilities, and Fund Balance
to the Statement of Net Assets
June 30, 2007**

Total fund balance at June 30, 2007			\$ 589,331
Total net assets reported in the statement of net assets is different because:			
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. Those assets consist of:			
Equipment		\$ 2,059	
Accumulated depreciation		<u>(309)</u>	<u>1,750</u>
Total net assets at June 30, 2007			<u>\$ 591,081</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

**Statement of Revenues, Expenses,
and Changes in Fund Balance
Year Ended June 30, 2007**

REVENUES

City of Breaux Bridge	\$ 10,000
City of St. Martinville	14,000
St. Martin Parish Government	18,152
St. Martin Parish School Board	29,056
St. Martin Parish Sheriff	15,000
Interest income	13,558
Assessment	25,203
Industrial park project	<u>233,878</u>

TOTAL REVENUES	<u>358,847</u>
-----------------------	-----------------------

EXPENSES

Accounting	2,365
Allowance - travel	6,000
Capital outlay	2,059
Compensation expense:	
Salary	39,100
Retirement	4,985
Group health insurance	7,684
Workers' compensation	26
Medicare	531
Depreciation	117
Dues and subscriptions	1,049
Economic development	603
Education	425
Industrial park project	17,545
Marketing and design	265
Miscellaneous	647
Office printing and supplies	2,115
Postage	316
Telephone expense	2,163
Travel	<u>1,210</u>

TOTAL EXPENSES	<u>89,205</u>
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EXCESS OF REVENUES OVER EXPENSES	269,642
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FUND BALANCE, BEGINNING OF YEAR	<u>319,689</u>
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FUND BALANCE, END OF YEAR	<u>\$ 589,331</u>
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The accompanying notes are an integral part of this statement.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Reconciliation of the Statement of Revenues, Expenses, and
Changes in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2007

Total net changes in fund balance at June 30, 2007 per Statement of Revenues, Expenses, and Changes in Fund Balance	\$ 269,642
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The change in net assets reported for governmental activities in the
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenses, and Changes in Fund Balance	\$ 2,059	
Depreciation expense for the year ended June 30, 2007	<u>(309)</u>	<u>1,750</u>

Total changes in net assets at June 30, 2007 per Statement of Activities	<u>\$ 271,392</u>
--	-------------------

The accompanying notes are an integral part of this statement.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The St. Martin Economic Development Authority (the "Authority") was created on March 30, 1994 by the St. Martin Parish School Board, City of Breaux Bridge, City of St. Martinville, Village of Parks, and the St. Martin Parish Police Jury (now referred to as "Parish Government"). The Authority was formed as a nonprofit economic development cooperative, as mentioned in their articles of organization. The Authority operates under a Board of Directors and provides the following services as authorized by its articles of organization: economic development for St. Martin Parish.

The Board of Directors is composed of nine (9) members, appointed by the St. Martin Parish School Board, City of Breaux Bridge, City of St. Martinville, Village of Parks, the St. Martin Parish Government, and the St. Martin Parish Sheriff's Department.

The accompanying financial statements of the St. Martin Economic Development Authority have been prepared in conformity with generally accepted accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

The accounting and reporting policies of the Authority conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

A. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity.

The statement of activities presents a comparison between program revenues of the Authority and the cost of the function. Program revenues are derived directly from Authority users as a fee for services. Revenues that are not classified as program revenues are presented as general revenues.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

Fund Financial Statements (FFS)

The accounts of the Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The Authority has only one function/activity, and therefore, only one fund.

The fund of the Authority is classified as governmental. The emphasis on fund financial statements is on the major governmental fund. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Authority is described below:

Governmental Fund -

General Fund

The General Fund is the general operating fund of the Authority. It is used to account for all financial resources of the Authority.

B. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets. In the fund financial statements, the economic resources measurement focus is also used.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

C. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts and certificates of deposits of the Authority.

Capital Assets

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Authority maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5 years
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Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved.

D. Budgetary and Budgetary Accounting

The St. Martin Economic Development Authority adopted a budget as required by Louisiana Revised Statute 39:1301-1316, for fiscal year end June 30, 2007.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Cash and Interest-Bearing Deposits

Under state law, the Authority may deposit funds within a bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Authority may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2007, the Authority has cash (book balances) totaling \$622,829.

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These securities are held in the name of the pledging bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2007 are secured as follows:

Bank balances	<u>\$ 623,174</u>
Federal Deposit Insurance	357,114
Pledged Securities (Category 3)	<u>266,060</u>
Total federal insurance and pledged securities	<u>\$ 623,174</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Authority's name. Even though the pledged securities are considered uncollateralized (Category 3), Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within ten (10) days of being notified by the Authority that the bank has failed to pay deposited funds upon demand.

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(3) Changes in Capital Assets

Capital asset activity for the year ended June 30, 2007 was as follows:

	Balance 07/01/06	Additions	Deletions	Balance 6/30/07
Equipment	\$ 2,975	\$ 2,059	\$ -	\$ 5,034
Less accumulated depreciation	<u>(2,858)</u>	<u>(426)</u>	<u>-</u>	<u>(3,284)</u>
Capital assets, net	<u>\$ 117</u>	<u>\$ 1,633</u>	<u>\$ -</u>	<u>\$ 1,750</u>

(4) Accrued Expenses

Accrued expenses at June 30, 2007 total \$5,334. These consist of the following:

Accrued salaries and related benefits	\$ 5,157
Printing and supply expenses	4
Telephone expenses	<u>173</u>
Total	<u>\$ 5,334</u>

(5) Deferred Revenue

The following is a summary of deferred revenues at June 30, 2007:

St. Martin Parish Government	\$ 18,154
St. Martin Parish Sheriff	<u>15,000</u>
Total Deferred Revenue	<u>\$ 33,154</u>

(6) Board of Directors' Compensation

No per diem or other compensation was paid to directors of the St. Martin Economic Development Authority for the year ended June 30, 2007.

REQUIRED SUPPLEMENTARY INFORMATION

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Budgetary Comparison Schedule
Year Ended June 30, 2007

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
City of Breaux Bridge	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
City of St. Martinville	14,000	14,000	14,000	-
St. Martin Parish Government	18,152	18,152	18,152	-
St. Martin Parish School Board	29,056	29,056	29,056	-
St. Martin Parish Sheriff	15,000	15,000	15,000	-
Interest income	1,086	13,589	13,558	(31)
Assessment	-	21,840	25,203	3,363
Industrial park project	-	-	233,878	233,878
TOTAL REVENUES	87,294	121,637	358,847	237,210
EXPENSES				
Accounting	1,250	2,365	2,365	-
Advertising	350	-	-	-
Allowance - travel	6,000	6,000	6,000	-
Capital outlay	-	-	2,059	(2,059)
Compensation expense				
Salary	37,873	38,802	39,100	(298)
Retirement	4,829	4,970	4,985	(15)
Group health insurance	6,972	7,685	7,684	1
Medicare	520	532	531	1
Workers' compensation	209	209	26	183
Depreciation	-	-	117	(117)
Dues & subscription	515	1,050	1,049	1
Economic development	2,150	690	603	87
Education	100	425	425	-
Industrial park project	14,725	17,950	17,545	405
Marketing and design	250	265	265	-
Miscellaneous	750	649	647	2
Office printing & supplies	1,850	2,700	2,115	585
Postage	850	400	316	84
Promotion	100	-	-	-
Repairs	150	-	-	-
Telephone	1,400	2,200	2,163	37
Travel	1,500	1,211	1,210	1
TOTAL EXPENSES	82,343	88,103	89,205	(1,102)
EXCESS OF REVENUES OVER EXPENSES	4,951	33,534	269,642	236,108
FUND BALANCE, BEGINNING OF YEAR	319,689	319,689	319,689	-
FUND BALANCE, END OF YEAR	\$ 324,640	\$ 353,223	\$ 589,331	\$ 236,108

See accountants' report.

**SCHEDULE OF FINDINGS,
ATTESTATION REPORT AND
QUESTIONNAIRE**

ST. MARTIN ECONOMIC DEVELOPMENT AUTHORITY
St. Martinville, Louisiana

Schedule of Prior and Current Audit Findings and
Management's Corrective Action Plan
Year Ended June 30, 2007

I. Prior Year Findings:

Compliance

06-1 Noncompliance with Louisiana Fiscal Agency and Cash Management Laws

Finding: The Authority had unsecured deposits of approximately \$46,725 at one financial institution at June 30, 2006.

Status: Resolved.

Internal Control Over Financial Reporting

There were no findings in this section at June 30, 2006.

Management Letter Items

There were no findings in this section at June 30, 2006.

II. Current Year Findings and Management's Corrective Action Plan:

Compliance

There are no findings in this section at June 30, 2007.

Internal Control Over Financial Reporting

There are no findings in this section at June 30, 2007.

Management Letter Items

There are no findings in this section at June 30, 2007.

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Fred Mills, Jr.
St. Martin Economic Development Authority
St. Martinville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the St. Martin Economic Development Authority and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Authority's compliance with certain laws and regulations during the year ended June 30, 2007 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$20,000, or public works exceeding \$100,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

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CERTIFIED PUBLIC ACCOUNTANTS

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with the legally adopted budget and all amendments.

6. Trace the budget adoption and amendments to the minute book.

Budget adoption and amendments were all traced to the minute book.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by 5% or more and actual expenditures did not exceed budgeted expenditures by 5% or more.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

All six payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated proper approval.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:4.1 through 42:12 (the open meetings law).

The Authority is only required to post a notice of each meeting and the accompanying agenda on the door of the office building. Although management has asserted that such documents were properly posted, we could not verify this other than by the written notes on the minutes noting posted dates. The agendas for the meetings were recorded in the minutes.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the Authority for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the St. Martin Economic Development Authority and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC

Certified Public Accountants

Breaux Bridge, Louisiana
October 18, 2007

**LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)**

11/26/2007

Kolder Champagne Steven Co., LLC
Certified Public Accountants
113 East Bridge Street
Breaux Bridge, LA 70017

In connection with your review of our financial statements as of ~~6/30/07~~ and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of 11/26/2007.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes ☒ No ☐

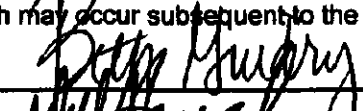
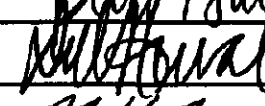
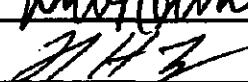
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

	Secretary	11/26/07	Date
	Treasurer	11/26/07	Date
	President	11/26/07	Date